



PORT OF MILWAUKEE **2011** ANNUAL REPORT

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Mayor of Milwaukee



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About the Port of Milwaukee

We are the region's transportation and distribution center located on the southwestern shore of Lake Michigan. The Port of Milwaukee transportation options include the St. Lawrence Seaway, linking the Great Lakes to the Atlantic Ocean; inland river barge service linking to Gulf ports and the inland waterways; two major railroads, the Union Pacific and Canadian Pacific, and immediate interstate access to I-94. The Port of Milwaukee handles a diverse mix of cargoes including steel, containerized cargo, salt, coal, limestone, bio-diesel, ethanol, cement, fertilizers, construction machinery, mining machinery, wind tower equipment, and grain.

FINAL PORT TONNAGE SUMMARY

IN METRIC TONS - INCLUDES WATERBORNE & LANDBORNE

	2011	2010
Dry Bulk	2,507,008	1,830,994
General Cargo	246,139	280,835
Grains	87,775	197,264
Liquid Bulk	55,654	15,473
TOTAL	2,896,576	2,324,566

Port Tenants:

Cargill Salt Incorporated

Discovery World at Pier Wisconsin

Edward E. Gillen Company

Federal Marine Terminals, Incorporated

Great Lakes Towing

Harbor House Restaurant

IFI Tanco

Lafarge Corporation

Kinder Morgan aka: Milwaukee Bulk Terminals, Inc.

KM Transload

Lake Express

Milwaukee Art Museum

Milwaukee Intermodal Terminal

Milwaukee World Festivals

North American Salt Co.

Portland Trucking

Shea Kenny Construction

South Harbor Terminal

St. Mary's Cement

U.S. Coast Guard

U.S. Navy

Capital Improvements:

- "JOEY D" the Port of Milwaukee received its new security/work boat in December 2011. It replaces the 50+ year old "Harbor Seagull". The 60-foot long vessel was built by Great Lakes Shipbuilding, a division of Great Lakes Towing, and is equipped with a 2-ton crane, and built with ice-breaking capabilities.

The JOEY D, was dedicated in the name of JOSEPH A. DI GIORGIO, Harbor Master and distinguished Port employee from July 9, 1973 to March 4, 2010. Joe was honored in 2009 by the City of Milwaukee as an "Everyday Hero". JOEY D will carry on this honor by keeping our port and harbor safe, being a first responder, and helping people and business in need.

- Harbor Drive was repaved as well as a portion of the Milwaukee Intermodal Terminal. This was the first of three main repaving projects for Jones Island streets.
- An 8-acre site located directly across from the Federal Marine Terminals outer docks was returned to commercial use. It will temporarily be used for lay down of project cargoes such as wind components, but is available for a long-term tenant.
- The State of Wisconsin and City of Milwaukee funded an expanded ramp to the interstate to accommodate long loads leaving the port. These loads previously were routed on local streets. Long loads can now access I-794 directly at Carferry Drive.



Wisconsin manufactured water purifying components were exported to South Africa from the Port. The company cleverly placed a label on the cargo encouraging people to take a photo and post where they saw the cargo in transit.

PORT OF MILWAUKEE REVENUE/EXPENSES/NET INCOME/TAXES

	2011	2010
OPERATING REVENUES*	\$4,245,317	\$3,822,546
Operating Expenses	\$2,958,046	\$3,155,797
NET INCOME (LOSS)	\$1,287,271	\$ 666,749
Personal Property Taxes <i>(paid by tenant)</i>	\$ 481,843	\$ 514,607

**Does not include Milwaukee World Festivals, Inc.
This comparison of operating revenue and expenses for 2010 and 2011
excludes depreciation, debt service and interest expense.*



Local Economic Impacts:

The Port of Milwaukee Local Economic Impact Study was released on November 18, 2011 and conducted by Martin Associates – Lancaster, PA

The results of the Study include the economic impacts created by all maritime activity at the Port of Milwaukee. The impacts include cargo moving on Canadian, U.S., and foreign flag vessels to and from the Port. The Martin Associates' study team conducted detailed interviews with marine terminal operators, service providers, railroads, port tenants and other stakeholders at the Port of Milwaukee. All firms were interviewed to collect the data required to assess direct impacts.

The impacts are measured for the year 2010. The right column is a summary of the results.

The Port of Milwaukee Economic Impact Study Results for 2010

EMPLOYMENT

Direct Jobs	624
Induced Job	498
Indirect Jobs	294
Total Jobs	1,416

PERSONAL INCOME

Direct	\$28,674,000
Re-spending/Local Consumption	\$62,136,000
Indirect	\$12,020,000
Total (1,000)	\$102,830,000

BUSINESS REVENUE\$145,827,000

LOCAL PURCHASES\$24,025,000

STATE TAXES\$11,311,000

FEDERAL TAXES\$18,509,000

Total Taxes\$29,820,000

Note: Totals may not add due to rounding.





Intermodal business up in 2011:

Shipments of intermodal containers increased by 12.5% in 2011. The Canadian Pacific's intermodal business in Milwaukee is handled by Milwaukee Intermodal Terminals (MIT). Using their recently purchased 90,000 lb. capacity Hyster top-pick, containers can now be stacked five high and three deep to improve overall yard efficiency. Business growth in part was due to ZIM Shipping Line, which began using MIT in 2011 for their Far East services via Vancouver, B.C. ZIM now joins Hapag-Lloyd a longtime supporter of the Port for their Far East and European services.

Employee Happenings:

NEW HIRES IN 2011:

- **Brian Kasprzyk**, Civil Engineer II, replaced retired Civil Engineer Yisheng Lan.
- **John Stern**, Port Maintenance Trainee
- **Darren Keskey**, Crane Operator replaced Dave Corcoran
- **Carmelo Cordero**, Port Maintenance Trainee

RETIREES:

- **Dave Corcoran**, Crane Operator
- **Yisheng Lan**, Civil Engineer II
- **Michael Mathias**, Market Analyst

PROMOTIONS:

- **Tom Bilicki**, Port Maintenance Worker was promoted to Port Mechanic
- **Eric Polzin**, Crane Operator was promoted to Port Facilities Supervisor

Significant Board of Harbor Commissioners actions:



APPROVED A LONG TERM LEASE WITH THE U.S. COAST GUARD – SECTOR LAKE MICHIGAN.



APPROVED THE PORT'S GRANTEE DESIGNATION FOR FOREIGN TRADE ZONE NO. 41.



The Port is responsible for administering and marketing the approved zone area. The Port received approval on August 31, 2011 to be reauthorized under the expedited program called Alternative Site Framework (ASF). Under ASF, the Grantee designates counties within a 60-mile / 90 minute drive from the Customs Port of entry. FTZ 41 has three counties under its jurisdiction, Milwaukee, Racine and Kenosha counties. Zone operators increased from two to five in 2011.



Dave Corcoran,
Crane Operator



Polsteam shipline loads grain at the Milwaukee Nidera Grain facility after unloading steel at Milwaukee's Federal Marine Terminals dock.



The integrated tug/barge vessel is unloading cement at the Lafarge Cement facility located in the Port's inner harbor.